

Lower Court or Tribunal Ingham Circuit Court	<b>STATE OF MICHIGAN IN THE COURT OF APPEALS</b>	<b>CASE NO.</b>			
	<b>Cover Sheet</b>	CIRCUIT:	Year 13	Number 734	Case Type CZ
		COURT OF APPEALS: 317286			

### Filing Party

Filing Party Last Name or Business/Entity/Agency Name

WEBSTER

Filing Party First Name

GRACIE

M.I.

Address (Street 1, Street 2, City, State, and ZIP Code)

Attorney Last Name

Canzano

Attorney First Name

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### Summary of Items Filed

Type	Filename/Description	Filing Fee	Doc Fee	Total This Filing
Other	Plaintiffs-Appellees Statement Regarding Appeal	\$5.00	\$0.00	\$5.00

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\$5.15

Reason:

- ☐ Appointed Counsel  
☐ Motion To Waive Fee  
☐ Fees Waived in this Case  
☐ MI InterAgency Transfer  
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Lower Court or Tribunal Ingham Circuit Court	<b>STATE OF MICHIGAN IN THE COURT OF APPEALS</b> <b>Proof of Service</b>	<b>CASE NO.</b> Year: 13    Number: 734    Case Type: CZ COURT OF APPEALS: 317286
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Case Name: GRACIE WEBSTER V STATE OF MICHIGAN

On 7/26/2013, one copy of the following documents:

Other Plaintiffs-Appellees Statement Regarding Appeal

was delivered to the persons listed below:

Date

7/26/2013

Signature

/s/John R. Canzano

	Bar Number	Name	Delivery Method	Service Address
P-		Appellate, AG	E-Serve	paasdivision@michigan.gov
P-	30417	Canzano, John R	E-Serve	jcanzano@michworklaw.com
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COURT OF APPEALS  
STATE OF MICHIGAN

Gracie Webster, et al v. State of Michigan

Docket No. 317286

LC No. 13-000734-CZ

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**PLAINTIFFS-APPELLEES STATEMENT REGARDING APPEAL**

On July 23, 2013, this Court entered an Order in the this matter “that any answers to the pending application for leave to appeal are due by 5:00 p.m. on Friday, July 26, 2013.” Yesterday, July 25, 2013, the United States Bankruptcy Court for the Eastern District of Michigan entered an Order (Docket #166) in *City of Detroit, Michigan*, Case No. 13-53846, that this matter “is stayed, pursuant to section 105(a) of the Bankruptcy Code, pending further Order of this Court.” (Order, ¶3 at p 2). Given this Order, it is Plaintiffs-Appellees’ understanding that they are precluded at this time from filing a response in opposition to Defendant’s Emergency Application for Leave to Appeal. Moreover, and in any event, the July 18, 2013 Temporary Restraining Order which is the subject of this Appeal was quashed by the Circuit Court and expired at 12:15 p.m. on July 19, 2013, and has not been in effect since that time. See July 19 transcript at 35 (Copy attached).

Respectfully submitted,

McKNIGHT, McCLOW, CANZANO,  
SMITH & RADTKE, P.C.

By: /s/John R. Canzano  
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Date: July 26, 2013

**CERTIFICATE OF SERVICE**

I hereby certify that on July 26, 2013, I electronically filed the foregoing document with the Clerk of the Court using the ECF system, which will send notification to counsel of record.

/s/ John R. Canzano  
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STATE OF MICHIGAN  
30TH JUDICIAL CIRCUIT COURT FOR THE COUNTY OF INGHAM  
CIVIL DIVISION

GRACIE WEBSTER and  
VERONICA THOMAS,

Plaintiffs,

v

Case No. 13-734-CZ  
Hon. Rosemarie Aquilina

THE STATE OF MICHIGAN; RICHARD  
SNYDER, as Governor of the State  
of Michigan; and ANDY DILLON,  
as Treasurer of the State of  
Michigan,

Defendants.

\_\_\_\_\_  
ROBBIE FLOWERS, MICHAEL WELLS,  
JANET WHITSON, MARY WASHINGTON,  
and BRUCE GOLDMAN,

Plaintiffs,

v

Case No. 13-729-CZ  
Hon. Rosemarie Aquilina

RICK SNYDER, as the Governor of the  
State of Michigan; ANDY DILLON, as  
the Treasurer of the State of Michigan;  
and the STATE OF MICHIGAN,

Defendants.

\_\_\_\_\_

MOTION TO AMEND PRELIMINARY INJUNCTION

MOTION FOR DEFAULT JUDGMENT

MOTION FOR SUMMARY DISPOSITION

BEFORE THE HON. ROSEMARIE AQUILINA, CIRCUIT JUDGE

Ingham County, Michigan - Friday, July 19, 2013

1 anyone is arguing -- I don't think the Attorney General  
 2 is arguing that our case is stayed by the bankruptcy  
 3 court because we're not suing the Emergency Manager.  
 4 We're only suing the Governor and the Treasurer and the  
 5 State of Michigan, and they're not -- they're not in the  
 6 bankruptcy court. They're not the debtor, so that's an  
 7 argument that has been raised. But, just for clarity, I  
 8 wanted to point that out. That's all I have.

9 THE COURT: Thank you.

10 Response?

11 MR. DEVLIN: Thank you, your Honor. Brian  
 12 Devlin again on behalf of the Defendants. I won't repeat  
 13 the discussion we had on the Flowers case. Much of that  
 14 applies. The relief sought in each of these cases is the  
 15 same position of the State, is that the bankruptcy court  
 16 jurisdiction has a great effect on this, and that the  
 17 reliefs that might be desired by the Plaintiffs are  
 18 available through that court. Furthermore, we'd cite the  
 19 *Straus* case as well in this reply.

20 I would like to call the Court's attention to  
 21 just one other thing: There was reference made to the  
 22 Governor's obligation to uphold the terms of the United  
 23 States -- of the State Constitution but that also applies  
 24 to the United States Constitution, and bankruptcy court  
 25 is certainly someone he may have to answer to as well.

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1 So that should not be lost sight of.

2 Finally, I wanted to point out that we do have  
 3 a motion for summary disposition pending in this case as  
 4 well. And I would rely on the arguments in the brief.  
 5 And the ones I've just restated as well to ask that that  
 6 relief be granted. Thank you.

7 THE COURT: Are you asking that that be heard  
 8 now, or would you like me to make a ruling on that now?

9 MR. DEVLIN: I think you could probably make a  
 10 ruling on it without further argument.

11 THE COURT: I think so too.

12 MR. DEVLIN: All right.

13 THE COURT: Okay.

14 MR. DEVLIN: Thank you.

15 THE COURT: Anything further?

16 MR. CANZANO: Nothing further, your Honor.

17 THE COURT: All right.

18 As to the motion for summary disposition in  
 19 regard to Defendants' motion is denied. I'm going to  
 20 incorporate the transcript, the arguments of the Flowers  
 21 matter into this file. I think that in order to have a  
 22 complete argument, we're going to consolidate the  
 23 arguments and the files for the purpose of today because  
 24 they are really united. They are part and parcel of the  
 25 same arguments. We really can't have a complete

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1 transcript without looking at both.

2 So I'm going to direct the court reporter to  
 3 treat today as one transcript despite there being two  
 4 docket numbers, and I didn't even call both of them, but  
 5 we just sort of started, but we're really dealing with  
 6 Dockets 13-734-CZ and 13-729-CZ.

7 So the motion for summary disposition in regard  
 8 to 13-734-CZ, and that's Defendants' motion for summary  
 9 disposition is denied based on the same rationale the  
 10 Court had and reasoning in the prior case.

11 In regard to the request for declaratory  
 12 judgment, I think it is imperative that the Court sign  
 13 this. It's absolutely needed. And the Governor, I have  
 14 to believe, took his oath in all sincerity to uphold the  
 15 United States Constitution and the State of Michigan  
 16 Constitution. I hope he rereads certain sections and  
 17 reconsiders his actions.

18 I am finding the actions that have been taken  
 19 in regard to filing this action in the bankruptcy court  
 20 as overreaching and unconstitutional as it applies to  
 21 what the Detroit Emergency Manager Kevyn Orr has done in  
 22 conjunction with the Governor.

23 So I find it absolutely necessary to sign this  
 24 order of declaratory judgment. I am also going to order,  
 25 in addition to what you have crafted here, that a copy of

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1 this order be forwarded to President Obama. I know that  
 2 he's watching this, and he's bailed out Detroit. If this  
 3 is going to ultimately proceed to bankruptcy without  
 4 anyone paying attention to Michigan's Constitution and to  
 5 what the legislature drafted and to what the Governor  
 6 himself signed into law, then there will ultimately be a  
 7 request that Obama will have to look at the pension, so  
 8 he might as well follow this. He said in the news that  
 9 he's following this. He might as well see what we've all  
 10 done here. It's that important to the State of Michigan  
 11 and to the thousands of people who will be affected, and  
 12 ultimately all of the taxpayers of the state of Michigan  
 13 are going to be affected because we will all have to pick  
 14 up the tab if this is not honored as it should be.

15 Additionally, I am asked that the temporary  
 16 restraining order be quashed and nullified, so that is  
 17 now withdrawn, and it expires today at 12:15. And the  
 18 order of declaratory judgment is being signed as that  
 19 expires.

20 Is there anything else for the record?

21 MR. WERTHEIMER: Not for the Plaintiffs in  
 22 Flowers, your Honor.

23 MR. QUASARANO: I'm obliged, your Honor, to  
 24 move for a stay of enforcement of the order of  
 25 declaratory judgment.

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